

County of Los Angeles **CHIEF EXECUTIVE OFFICE**

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November 7, 2014

To:

Audit Committee

From:

William T Fujioka

Chief Executive Officer

SUNSET REVIEW - BOARD POLICY NO. 9.140 HARD-HIRING FREEZE AND FREEZE ON NON-ESSENTIAL SERVICES. **SUPPLIES** AND **EQUIPMENT PURCHASES**

As required by Board policy, we have completed a sunset review recommendation for Board Policy No. 9.140, which is attached.

On February 10, 2009, the Board of Supervisors approved a recommendation by the Chief Executive Officer (CEO) to impose a hard-hiring freeze, except for critical health and safety positions, and a freeze on non-essential services, supplies and equipment purchases for all departments. This proved to be an effective tool to control costs during the economic downturn.

On June 24, 2013, the Board of Supervisors rescinded the hard-hiring freeze and the freeze on non-essential services, supplies and equipment purchases for all departments. Effective July 1, 2013, Chief Executive Officer (CEO) approval is no longer required to hire, and the CEO and Auditor-Controller will no longer freeze the appropriations for non-essential purchases of services, supplies and capital assets.

If you have any questions or need additional information, please contact Sid Kikkawa at (213) 974-6872 or skikkawa@ceo.lacounty.gov.

C: Executive Office, Board of Supervisors

WTF:SHK:SK MM:AB:yjf

Audit.Committee.Board Policy 9.140

"To Enrich Lives Through Effective And Caring Service"

9.140 Hard Hiring Freeze and Freeze on Non-essential Services, Supplies and Equipment Purchases 5/2014

PURPOSE

Establishes guidelines and procedures for the to allow County to impose a hard-hiring freeze and/or restrict the purchase of non-essential services, supplies and equipment purchases when deemed necessary by the Board of Supervisors. departments to fill budgeted vacancies, after approval by the Chief Executive Officer (CEO), and establishes conditions for approval.

REFERENCE

April 27, 1993 Board Order, Synopsis 61

November 16, 1995 Board Order, Synopsis 7

June 24, 1997 Board Order, Synopsis 44B

February 10, 2009 Board Order S-2

June 22, 2009 Budget Deliberations

June 7, 2010 Budget Deliberations

June 24, 2013 Budget Deliberations

POLICY

The Board of Supervisors may impose a hard-hiring freeze and/or restrict the purchase of non-essential services, supplies and equipment as a method of control to reduce expenditures during periods of budget uncertainties. The freeze may be imposed on a countywide basis during times of economic downturn or it may be imposed on a single or multiple departments/budget units if they are experiencing an adverse financial condition. A freeze may also be instituted due to State and/or federal budget cuts that impact County administered programs or delays in reimbursement from outside entities that would have a serious impact upon the County's cash flow.

The Chief Executive Officer (CEO) shall be responsible for administering the hard-hiring freeze and/or restriction on non-essential purchases of services, supplies and equipment. The CEO will Implements a hard hiring freeze, excluding critical health and safety positions, as approved by the Board on February 10, 2009, to keep salary and employee benefits costs at an absolute minimum. Pprovides guidelines and process procedures for departments to follow when requesting hiring approval from CEO and approval to purchase non-essential services, supplies and equipment when a freeze is in place. A hiring-freeze may exempt certain classes of positions (i.e., critical health and safety positions), due to the high-priority services they provide to County residents.

On June 22, 2009, the Board reaffirmed the hard-hiring freeze, exempting critical health and safety positions. On October 20, 2009, the CEO issued clarification (via email) to all department heads on the existing guidelines and the general process. Also issued to all department heads (via email) on May 3, 2010, the hard-hiring freeze was enhanced by further refining the critical health and safety exemption list of positions and requiring CEO review and approval of promotions.

On June 7, 2010, the Board reaffirmed the hard-hiring freeze, exempting critical health and safety positions. CEO consolidated all prior revisions into one set of guidelines, further refined the critical health and safety exemption list of positions and provided additional clarification on the procedures to all department heads on July 26, 2010 (via email).

RESPONSIBLE DEPARTMENT

CEO Classification and Compensation Administration CEO – Finance

DATE ISSUED/SUNSET DATE

Issue Date: November 16, 1995
Reissue Date: June 24, 1997
Sunset Review Date: June 24, 2001
Review Date: October 18, 2001
Sunset Review Date: June 24, 2005
Sunset Review Date: June 24, 2009
Issue Date: February 10, 2009
Issue Date: February 17, 2011
Issue Date: June 23, 2013
Sunset Review Date: February 10, 2019
Sunset Review Date: February 10, 2015
Sunset Review Date: February 10, 2019